

EXHIBIT 1

— — —

VS.

— — —

— — —

* * *

973-410-4098

<p style="text-align: right;">Page 2</p> <p>1 APPEARANCES:</p> <p>2</p> <p>3 KAPLIN, STEWART, MELOFF,</p> <p>4 REITER & STEIN, P.C.</p> <p>5 BY: KEVIN G. AMADIO, ESQUIRE</p> <p>6 910 Harvest Drive</p> <p>7 Suite 200</p> <p>8 P.O. Box 3037</p> <p>9 Blue Bell, Pennsylvania 19422</p> <p>10 Phone: 610-941-2533</p> <p>11 kamadio@kaplaw.com</p> <p>12 Representing the Plaintiff</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>26</p> <p>27</p> <p>28</p> <p>29</p> <p>30</p> <p>31</p> <p>32</p> <p>33</p> <p>34</p> <p>35</p> <p>36</p> <p>37</p> <p>38</p> <p>39</p> <p>40</p> <p>41</p> <p>42</p> <p>43</p> <p>44</p> <p>45</p> <p>46</p> <p>47</p> <p>48</p> <p>49</p> <p>50</p> <p>51</p> <p>52</p> <p>53</p> <p>54</p> <p>55</p> <p>56</p> <p>57</p> <p>58</p> <p>59</p> <p>60</p> <p>61</p> <p>62</p> <p>63</p> <p>64</p> <p>65</p> <p>66</p> <p>67</p> <p>68</p> <p>69</p> <p>70</p> <p>71</p> <p>72</p> <p>73</p> <p>74</p> <p>75</p> <p>76</p> <p>77</p> <p>78</p> <p>79</p> <p>80</p> <p>81</p> <p>82</p> <p>83</p> <p>84</p> <p>85</p> <p>86</p> <p>87</p> <p>88</p> <p>89</p> <p>90</p> <p>91</p> <p>92</p> <p>93</p> <p>94</p> <p>95</p> <p>96</p> <p>97</p> <p>98</p> <p>99</p> <p>100</p> <p>101</p> <p>102</p> <p>103</p> <p>104</p> <p>105</p> <p>106</p> <p>107</p> <p>108</p> <p>109</p> <p>110</p> <p>111</p> <p>112</p> <p>113</p> <p>114</p> <p>115</p> <p>116</p> <p>117</p> <p>118</p> <p>119</p> <p>120</p> <p>121</p> <p>122</p> <p>123</p> <p>124</p> <p>125</p> <p>126</p> <p>127</p> <p>128</p> <p>129</p> <p>130</p> <p>131</p> <p>132</p> <p>133</p> <p>134</p> <p>135</p> <p>136</p> <p>137</p> <p>138</p> <p>139</p> <p>140</p> <p>141</p> <p>142</p> <p>143</p> <p>144</p> <p>145</p> <p>146</p> <p>147</p> <p>148</p> <p>149</p> <p>150</p> <p>151</p> <p>152</p> <p>153</p> <p>154</p> <p>155</p> <p>156</p> <p>157</p> <p>158</p> <p>159</p> <p>160</p> <p>161</p> <p>162</p> <p>163</p> <p>164</p> <p>165</p> <p>166</p> <p>167</p> <p>168</p> <p>169</p> <p>170</p> <p>171</p> <p>172</p> <p>173</p> <p>174</p> <p>175</p> <p>176</p> <p>177</p> <p>178</p> <p>179</p> <p>180</p> <p>181</p> <p>182</p> <p>183</p> <p>184</p> <p>185</p> <p>186</p> <p>187</p> <p>188</p> <p>189</p> <p>190</p> <p>191</p> <p>192</p> <p>193</p> <p>194</p> <p>195</p> <p>196</p> <p>197</p> <p>198</p> <p>199</p> <p>200</p> <p>201</p> <p>202</p> <p>203</p> <p>204</p> <p>205</p> <p>206</p> <p>207</p> <p>208</p> <p>209</p> <p>210</p> <p>211</p> <p>212</p> <p>213</p> <p>214</p> <p>215</p> <p>216</p> <p>217</p> <p>218</p> <p>219</p> <p>220</p> <p>221</p> <p>222</p> <p>223</p> <p>224</p> <p>225</p> <p>226</p> <p>227</p> <p>228</p> <p>229</p> <p>230</p> <p>231</p> <p>232</p> <p>233</p> <p>234</p> <p>235</p> <p>236</p> <p>237</p> <p>238</p> <p>239</p> <p>240</p> <p>241</p> <p>242</p> <p>243</p> <p>244</p> <p>245</p> <p>246</p> <p>247</p> <p>248</p> <p>249</p> <p>250</p> <p>251</p> <p>252</p> <p>253</p> <p>254</p> <p>255</p> <p>256</p> <p>257</p> <p>258</p> <p>259</p> <p>260</p> <p>261</p> <p>262</p> <p>263</p> <p>264</p> <p>265</p> <p>266</p> <p>267</p> <p>268</p> <p>269</p> <p>270</p> <p>271</p> <p>272</p> <p>273</p> <p>274</p> <p>275</p> <p>276</p> <p>277</p> <p>278</p> <p>279</p> <p>280</p> <p>281</p> <p>282</p> <p>283</p> <p>284</p> <p>285</p> <p>286</p> <p>287</p> <p>288</p> <p>289</p> <p>290</p> <p>291</p> <p>292</p> <p>293</p> <p>294</p> <p>295</p> <p>296</p> <p>297</p> <p>298</p> <p>299</p> <p>300</p> <p>301</p> <p>302</p> <p>303</p> <p>304</p> <p>305</p> <p>306</p> <p>307</p> <p>308</p> <p>309</p> <p>310</p> <p>311</p> <p>312</p> <p>313</p> <p>314</p> <p>315</p> <p>316</p> <p>317</p> <p>318</p> <p>319</p> <p>320</p> <p>321</p> <p>322</p> <p>323</p> <p>324</p> <p>325</p> <p>326</p> <p>327</p> <p>328</p> <p>329</p> <p>330</p> <p>331</p> <p>332</p> <p>333</p> <p>334</p> <p>335</p> <p>336</p> <p>337</p> <p>338</p> <p>339</p> <p>340</p> <p>341</p> <p>342</p> <p>343</p> <p>344</p> <p>345</p> <p>346</p> <p>347</p> <p>348</p> <p>349</p> <p>350</p> <p>351</p> <p>352</p> <p>353</p> <p>354</p> <p>355</p> <p>356</p> <p>357</p> <p>358</p> <p>359</p> <p>360</p> <p>361</p> <p>362</p> <p>363</p> <p>364</p> <p>365</p> <p>366</p> <p>367</p> <p>368</p> <p>369</p> <p>370</p> <p>371</p> <p>372</p> <p>373</p> <p>374</p> <p>375</p> <p>376</p> <p>377</p> <p>378</p> <p>379</p> <p>380</p> <p>381</p> <p>382</p> <p>383</p> <p>384</p> <p>385</p> <p>386</p> <p>387</p> <p>388</p> <p>389</p> <p>390</p> <p>391</p> <p>392</p> <p>393</p> <p>394</p> <p>395</p> <p>396</p> <p>397</p> <p>398</p> <p>399</p> <p>400</p> <p>401</p> <p>402</p> <p>403</p> <p>404</p> <p>405</p> <p>406</p> <p>407</p> <p>408</p> <p>409</p> <p>410</p> <p>411</p> <p>412</p> <p>413</p> <p>414</p> <p>415</p> <p>416</p> <p>417</p> <p>418</p> <p>419</p> <p>420</p> <p>421</p> <p>422</p> <p>423</p> <p>424</p> <p>425</p> <p>426</p> <p>427</p> <p>428</p> <p>429</p> <p>430</p> <p>431</p> <p>432</p> <p>433</p> <p>434</p> <p>435</p> <p>436</p> <p>437</p> <p>438</p> <p>439</p> <p>440</p> <p>441</p> <p>442</p> <p>443</p> <p>444</p> <p>445</p> <p>446</p> <p>447</p> <p>448</p> <p>449</p> <p>450</p> <p>451</p> <p>452</p> <p>453</p> <p>454</p> <p>455</p> <p>456</p> <p>457</p> <p>458</p> <p>459</p> <p>460</p> <p>461</p> <p>462</p> <p>463</p> <p>464</p> <p>465</p> <p>466</p> <p>467</p> <p>468</p> <p>469</p> <p>470</p> <p>471</p> <p>472</p> <p>473</p> <p>474</p> <p>475</p> <p>476</p> <p>477</p> <p>478</p> <p>479</p> <p>480</p> <p>481</p> <p>482</p> <p>483</p> <p>484</p> <p>485</p> <p>486</p> <p>487</p> <p>488</p> <p>489</p> <p>490</p> <p>491</p> <p>492</p> <p>493</p> <p>494</p> <p>495</p> <p>496</p> <p>497</p> <p>498</p> <p>499</p> <p>500</p> <p>501</p> <p>502</p> <p>503</p> <p>504</p> <p>505</p> <p>506</p> <p>507</p> <p>508</p> <p>509</p> <p>510</p> <p>511</p> <p>512</p> <p>513</p> <p>514</p> <p>515</p> <p>516</p> <p>517</p> <p>518</p> <p>519</p> <p>520</p> <p>521</p> <p>522</p> <p>523</p> <p>524</p> <p>525</p> <p>526</p> <p>527</p> <p>528</p> <p>529</p> <p>530</p> <p>531</p> <p>532</p> <p>533</p> <p>534</p> <p>535</p> <p>536</p> <p>537</p> <p>538</p> <p>539</p> <p>540</p> <p>541</p> <p>542</p> <p>543</p> <p>544</p> <p>545</p> <p>546</p> <p>547</p> <p>548</p> <p>549</p> <p>550</p> <p>551</p> <p>552</p> <p>553</p> <p>554</p> <p>555</p> <p>556</p> <p>557</p> <p>558</p> <p>559</p> <p>560</p> <p>561</p> <p>562</p> <p>563</p> <p>564</p> <p>565</p> <p>566</p> <p>567</p> <p>568</p> <p>569</p> <p>570</p> <p>571</p> <p>572</p> <p>573</p> <p>574</p> <p>575</p> <p>576</p> <p>577</p> <p>578</p> <p>579</p> <p>580</p> <p>581</p> <p>582</p> <p>583</p> <p>584</p> <p>585</p> <p>586</p> <p>587</p> <p>588</p> <p>589</p> <p>590</p> <p>591</p> <p>592</p> <p>593</p> <p>594</p> <p>595</p> <p>596</p> <p>597</p> <p>598</p> <p>599</p> <p>600</p> <p>601</p> <p>602</p> <p>603</p> <p>604</p> <p>605</p> <p>606</p> <p>607</p> <p>608</p> <p>609</p> <p>610</p> <p>611</p> <p>612</p> <p>613</p> <p>614</p> <p>615</p> <p>616</p> <p>617</p> <p>618</p> <p>619</p> <p>620</p> <p>621</p> <p>622</p> <p>623</p> <p>624</p> <p>625</p> <p>626</p> <p>627</p> <p>628</p> <p>629</p> <p>630</p> <p>631</p> <p>632</p> <p>633</p> <p>634</p> <p>635</p> <p>636</p> <p>637</p> <p>638</p> <p>639</p> <p>640</p> <p>641</p> <p>642</p> <p>643</p> <p>644</p> <p>645</p> <p>646</p> <p>647</p> <p>648</p> <p>649</p> <p>650</p> <p>651</p> <p>652</p> <p>653</p> <p>654</p> <p>655</p> <p>656</p> <p>657</p> <p>658</p> <p>659</p> <p>660</p> <p>661</p> <p>662</p> <p>663</p> <p>664</p> <p>665</p> <p>666</p> <p>667</p> <p>668</p> <p>669</p> <p>670</p> <p>671</p> <p>672</p> <p>673</p> <p>674</p> <p>675</p> <p>676</p> <p>677</p> <p>678</p> <p>679</p> <p>680</p> <p>681</p> <p>682</p> <p>683</p> <p>684</p> <p>685</p> <p>686</p> <p>687</p> <p>688</p> <p>689</p> <p>690</p> <p>691</p> <p>692</p> <p>693</p> <p>694</p> <p>695</p> <p>696</p> <p>697</p> <p>698</p> <p>699</p> <p>700</p> <p>701</p> <p>702</p> <p>703</p> <p>704</p> <p>705</p> <p>706</p> <p>707</p> <p>708</p> <p>709</p> <p>710</p> <p>711</p> <p>712</p> <p>713</p> <p>714</p> <p>715</p> <p>716</p> <p>717</p> <p>718</p> <p>719</p> <p>720</p> <p>721</p> <p>722</p> <p>723</p> <p>724</p> <p>725</p> <p>726</p> <p>727</p> <p>728</p> <p>729</p> <p>730</p> <p>731</p> <p>732</p> <p>733</p> <p>734</p> <p>735</p> <p>736</p> <p>737</p> <p>738</p> <p>739</p> <p>740</p> <p>741</p> <p>742</p> <p>743</p> <p>744</p> <p>745</p> <p>746</p> <p>747</p> <p>748</p> <p>749</p> <p>750</p> <p>751</p> <p>752</p> <p>753</p> <p>754</p> <p>755</p> <p>756</p> <p>757</p> <p>758</p> <p>759</p> <p>760</p> <p>761</p> <p>762</p> <p>763</p> <p>764</p> <p>765</p> <p>766</p> <p>767</p> <p>768</p> <p>769</p> <p>770</p> <p>771</p> <p>772</p> <p>773</p> <p>774</p> <p>775</p> <p>776</p> <p>777</p> <p>778</p> <p>779</p> <p>780</p> <p>781</p> <p>782</p> <p>783</p> <p>784</p> <p>785</p> <p>786</p> <p>787</p> <p>788</p> <p>789</p> <p>790</p> <p>791</p> <p>792</p> <p>793</p> <p>794</p> <p>795</p> <p>796</p> <p>797</p> <p>798</p> <p>799</p> <p>800</p> <p>801</p> <p>802</p> <p>803</p> <p>804</p> <p>805</p> <p>806</p> <p>807</p> <p>808</p> <p>809</p> <p>810</p> <p>811</p> <p>812</p> <p>813</p> <p>814</p> <p>815</p> <p>816</p> <p>817</p> <p>818</p> <p>819</p> <p>820</p> <p>821</p> <p>822</p> <p>823</p> <p>824</p> <p>825</p> <p>826</p> <p>827</p> <p>828</p> <p>829</p> <p>830</p> <p>831</p> <p>832</p> <p>833</p> <p>834</p> <p>835</p> <p>836</p> <p>837</p> <p>838</p> <p>839</p> <p>840</p> <p>841</p> <p>842</p> <p>843</p> <p>844</p> <p>845</p> <p>846</p> <p>847</p> <p>848</p> <p>849</p> <p>850</p> <p>851</p> <p>852</p> <p>853</p> <p>854</p> <p>855</p> <p>856</p> <p>857</p> <p>858</p> <p>859</p> <p>860</p> <p>861</p> <p>862</p> <p>863</p> <p>864</p> <p>865</p> <p>866</p> <p>867</p> <p>868</p> <p>869</p> <p>870</p> <p>871</p> <p>872</p> <p>873</p> <p>874</p> <p>875</p> <p>876</p> <p>877</p> <p>878</p> <p>879</p> <p>880</p> <p>881</p> <p>882</p> <p>883</p> <p>884</p> <p>885</p> <p>886</p> <p>887</p> <p>888</p> <p>889</p> <p>890</p> <p>891</p> <p>892</p> <p>893</p> <p>894</p> <p>895</p> <p>896</p> <p>897</p> <p>898</p> <p>899</p> <p>900</p> <p>901</p> <p>902</p> <p>903</p> <p>904</p> <p>905</p> <p>906</p> <p>907</p> <p>908</p> <p>909</p> <p>910</p> <p>911</p> <p>912</p> <p>913</p> <p>914</p> <p>915</p> <p>916</p> <p>917</p> <p>918</p> <p>919</p> <p>920</p> <p>921</p> <p>922</p> <p>923</p> <p>924</p> <p>925</p> <p>926</p> <p>927</p> <p>928</p> <p>929</p> <p>930</p> <p>931</p> <p>932</p> <p>933</p> <p>934</p> <p>935</p> <p>936</p> <p>937</p> <p>938</p> <p>939</p> <p>940</p> <p>941</p> <p>942</p> <p>943</p> <p>944</p> <p>945</p> <p>946</p> <p>947</p> <p>948</p> <p>949</p> <p>950</p> <p>951</p> <p>952</p> <p>953</p> <p>954</p> <p>955</p> <p>956</p> <p>957</p> <p>958</p> <p>959</p> <p>960</p> <p>961</p> <p>962</p> <p>963</p> <p>964</p> <p>965</p> <p>966</p> <p>967</p> <p>968</p> <p>969</p> <p>970</p> <p>971</p> <p>972</p> <p>973</p> <p>974</p> <p>975</p> <p>976</p> <p>977</p> <p>978</p> <p>979</p> <p>980</p> <p>981</p> <p>982</p> <p>983</p> <p>984</p> <p>985</p> <p>986</p> <p>987</p> <p>988</p> <p>989</p> <p>990</p> <p>991</p> <p>992</p> <p>993</p> <p>994</p> <p>995</p> <p>996</p> <p>997</p> <p>998</p> <p>999</p> <p>1000</p>	<p style="text-align: right;">Page 4</p> <p>1 33 Document Bates stamped 67</p> <p>2 FEDERAL000296 - 298</p> <p>3 34 Document Bates stamped 79</p> <p>4 CFAS000238 - 240</p> <p>5 35 Document Bates stamped 81</p> <p>6 CFAS002297 - 2298</p> <p>7 36 Document Bates stamped 91</p> <p>8 FEDERAL000003</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
<p style="text-align: right;">Page 3</p> <p>1 I N D E X</p> <p>2 - - -</p> <p>3 WITNESS PAGE</p> <p>4 RICHARD DOBBS</p> <p>5 BY MS. MUSBACH 5</p> <p>6 BY MR. AMADIO 107</p> <p>7 BY MS. MUSBACH 110</p> <p>8</p> <p>9 E X H I B I T S</p> <p>10 - - -</p> <p>11 NUMBER DESCRIPTION PAGE</p> <p>12 25 Notice of Deposition 5</p> <p>13 26 Affidavit of Tara Finkbeiner 30</p> <p>14 27 Document Bates stamped 45</p> <p>15 CFAS000683 - 685</p> <p>16 28 Document Bates stamped 47</p> <p>17 CFAS002021 - 2022</p> <p>18 29 Document Bates stamped 51</p> <p>19 CAS001797 - 1798</p> <p>20 30 Document Bates stamped 58</p> <p>21 FEDERAL000001 - 02</p> <p>22 31 Document Bates stamped 59</p> <p>23 CFAS001268 - 1276</p> <p>24 32 Document Bates stamped 63</p> <p>25 CFAS001061 - 1062</p>	<p style="text-align: right;">Page 5</p> <p>1 RICHARD DOBBS</p> <p>2 RICHARD DOBBS, after having</p> <p>3 been first duly sworn, was examined and</p> <p>4 testified as follows:</p> <p>5 - - -</p> <p>6 EXAMINATION</p> <p>7 - - -</p> <p>8 (Whereupon, Exhibit 25 was</p> <p>9 marked for identification.)</p> <p>10 - - -</p> <p>11 BY MS. MUSBACH:</p> <p>12 Q. Can you please state your name for the</p> <p>13 record?</p> <p>14 A. Richard Dobbs.</p> <p>15 Q. And Mr. Dobbs, you understand that</p> <p>16 you're here as the corporate representative</p> <p>17 for CFAS?</p> <p>18 A. I do.</p> <p>19 Q. And CFAS stands for Construction</p> <p>20 Financial Administration Services?</p> <p>21 A. Yes.</p> <p>22 Q. Have you received a copy of the notice</p> <p>23 in advance of this deposition?</p> <p>24 A. I have.</p> <p>25 Q. And you're prepared to talk about the</p>

<p style="text-align: right;">Page 6</p> <p>1 RICHARD DOBBS</p> <p>2 topics in that notice?</p> <p>3 A. Yes.</p> <p>4 Q. Have you ever been deposed before?</p> <p>5 A. I have not.</p> <p>6 Q. Well, welcome to your first deposition.</p> <p>7 A. I'm very excited.</p> <p>8 Q. I'm sure you are.</p> <p>9 I'm going to ask you a series</p> <p>10 of questions about the facts related to this</p> <p>11 lawsuit.</p> <p>12 A couple things to make it go</p> <p>13 easier: If you can just wait until I'm done</p> <p>14 asking my question until you start answering</p> <p>15 it, it will make her life a lot easier.</p> <p>16 Also, if you don't understand</p> <p>17 a question, just ask me. I can clarify it.</p> <p>18 If you answer a question, I'm going to assume</p> <p>19 you've understood it and you're answering it</p> <p>20 to the best of your ability.</p> <p>21 Another thing, verbal</p> <p>22 responses. She can't pick up a nod of the</p> <p>23 head. It doesn't really fit into the record</p> <p>24 quite as well. So just make sure that you say</p> <p>25 yes or no or use an appropriate response.</p>	<p style="text-align: right;">Page 8</p> <p>1 RICHARD DOBBS</p> <p>2 besides your attorney?</p> <p>3 A. Yeah, I did talk to the other partners,</p> <p>4 some of the other partners involved in CFAS;</p> <p>5 specifically Joe Cecere, who is now currently</p> <p>6 the president; Don Morse, who is the managing</p> <p>7 member and Scott Mahorsky, who is a partner in</p> <p>8 Keys Funding.</p> <p>9 Q. Would you mind spelling Joe's last name,</p> <p>10 please?</p> <p>11 A. C-E-E-R-E, I think. I know there's</p> <p>12 another C in there, isn't there?</p> <p>13 MR. AMADIO: It's C-E-C-E-R-E.</p> <p>14 THE WITNESS: That's why I</p> <p>15 brought Kevin.</p> <p>16 BY MS. MUSBACH:</p> <p>17 Q. Okay. And then Don Morse is the</p> <p>18 managing member?</p> <p>19 A. Yes.</p> <p>20 Q. And what does that mean? What's his</p> <p>21 role as managing member?</p> <p>22 A. Mainly he was -- has the -- and I'm not</p> <p>23 even sure what managing member means. But</p> <p>24 somebody had to be managing member. There's</p> <p>25 no real -- I think there's some legal things</p>
<p style="text-align: right;">Page 7</p> <p>1 RICHARD DOBBS</p> <p>2 And then I usually try to take</p> <p>3 a break every hour. But if you want to take a</p> <p>4 break earlier, let me know. We'll just try to</p> <p>5 -- I can either get to a good stopping point</p> <p>6 and then ask if you want a break or if you</p> <p>7 want one, just answer whatever question is</p> <p>8 pending and then we can go.</p> <p>9 A. Sounds good.</p> <p>10 Q. Okay. What did you do to prepare for</p> <p>11 today?</p> <p>12 A. Reviewed the -- I guess this is a</p> <p>13 subpoena -- no, deposition notice and reviewed</p> <p>14 the documents that I had access to that</p> <p>15 referenced or were related to, I believe, the</p> <p>16 31 topics that were named.</p> <p>17 MS. MUSBACH: And these were</p> <p>18 all documents that were produced in this</p> <p>19 litigation?</p> <p>20 MR. AMADIO: Yes.</p> <p>21 BY MS. MUSBACH:</p> <p>22 Q. Did you talk to anybody?</p> <p>23 A. Kevin and I went through the documents</p> <p>24 and the items that we were talking about.</p> <p>25 Q. Okay. And then did you talk to anybody</p>	<p style="text-align: right;">Page 9</p> <p>1 RICHARD DOBBS</p> <p>2 about it, but I don't know what those are, to</p> <p>3 be honest with you.</p> <p>4 Q. Does he operate as the board</p> <p>5 essentially?</p> <p>6 A. No. All the partners get together for</p> <p>7 any decisions. But I don't know why he was --</p> <p>8 I don't know -- I don't know the legal reasons</p> <p>9 for him being managing member. I think there</p> <p>10 had to be one. So I don't know.</p> <p>11 Q. And then how does his function differ</p> <p>12 from the function of the president?</p> <p>13 A. Don is not involved in the day-to-day</p> <p>14 operations of CFAS. Joe Cecere runs the</p> <p>15 operation.</p> <p>16 Q. And when was Joe Cecere hired?</p> <p>17 A. A specific date -- I don't know the</p> <p>18 specific date. Joe's been there, I believe,</p> <p>19 since the end of 2018. I believe it was</p> <p>20 December of 2018. I don't know for sure.</p> <p>21 Q. And are there any other employees</p> <p>22 besides Joe Cecere?</p> <p>23 A. Yes, there is one other employee. I</p> <p>24 can't remember his last name, Craig that works</p> <p>25 with Joe. I can't remember Craig's last name</p>

<p style="text-align: right;">Page 10</p> <p>1 RICHARD DOBBS</p> <p>2 right now.</p> <p>3 Q. Does Troy Zema still work for CFAS?</p> <p>4 A. Troy does not. Troy left the</p> <p>5 employment.</p> <p>6 Q. And did he leave voluntarily?</p> <p>7 A. Uh-hum.</p> <p>8 Q. Did he leave around the same time as</p> <p>9 John Fullmer?</p> <p>10 A. No, Troy left mid 2018, I believe.</p> <p>11 Q. And does Craig fill Troy's roles</p> <p>12 basically?</p> <p>13 A. Yes.</p> <p>14 Q. And then what's the relationship between</p> <p>15 Keys Funding and CFAS?</p> <p>16 A. Keys Funding is a 49 percent owner of</p> <p>17 CFAS.</p> <p>18 Q. And who owns the other 51 percent?</p> <p>19 A. Don Morse owns 41 percent and John</p> <p>20 Fullmer owns 10 percent.</p> <p>21 Q. What's the relationship between Keys</p> <p>22 Funding and Mahorsky Group?</p> <p>23 A. Common ownership.</p> <p>24 Q. Is there any corporate relationship</p> <p>25 between the companies?</p>	<p style="text-align: right;">Page 12</p> <p>1 RICHARD DOBBS</p> <p>2 the operation. I operated as internal</p> <p>3 underwriter and operations manager.</p> <p>4 Q. And then what are your responsibilities</p> <p>5 with relation to CFAS?</p> <p>6 A. I am the designated partner from Keys</p> <p>7 Funding for all the conversations and</p> <p>8 discussions with CFAS.</p> <p>9 Q. Do you have any other Mahorsky Group</p> <p>10 companies that you are responsible for?</p> <p>11 A. We do. We have another operation called</p> <p>12 Brick Procurement.</p> <p>13 Q. And is that similar to CFAS or does it</p> <p>14 have a different --</p> <p>15 A. Different operation.</p> <p>16 Q. And you understand that we're here today</p> <p>17 about a lawsuit involving insurance coverage?</p> <p>18 A. Yes.</p> <p>19 Q. And you understand that CFAS has</p> <p>20 submitted an insurance claim for two wire</p> <p>21 transfers?</p> <p>22 A. I do.</p> <p>23 Q. And you understand that those wire</p> <p>24 transfers relate to two e-mails?</p> <p>25 A. Yes.</p>
<p style="text-align: right;">Page 11</p> <p>1 RICHARD DOBBS</p> <p>2 A. Outside of common ownership, no.</p> <p>3 Q. And by common ownership, you just mean</p> <p>4 Scott Mahorsky owns the company?</p> <p>5 A. Scott Mahorsky is one of the</p> <p>6 shareholders. I'm a shareholder of both and</p> <p>7 Russ Wilson is a shareholder of both as well.</p> <p>8 Q. And if you can briefly just go over your</p> <p>9 educational background?</p> <p>10 A. I graduated from high school. I</p> <p>11 graduated from Marquette University with a</p> <p>12 bachelor's in finance in 1990.</p> <p>13 Q. Do you have any degrees beyond that?</p> <p>14 A. No.</p> <p>15 Q. What's your work background?</p> <p>16 A. I worked in the surety industry since</p> <p>17 1990, 21 years of that with surety companies.</p> <p>18 In 2011, I became a partner in Mahorsky Group.</p> <p>19 Q. And then you've worked at Mahorsky</p> <p>20 Group --</p> <p>21 A. Since.</p> <p>22 Q. -- since 2011?</p> <p>23 And what have your roles in</p> <p>24 Mahorsky Group been?</p> <p>25 A. I'm a vice president and secretary of</p>	<p style="text-align: right;">Page 13</p> <p>1 RICHARD DOBBS</p> <p>2 Q. Or a series of e-mails that we're going</p> <p>3 to talk about today.</p> <p>4 A. Yes.</p> <p>5 Q. Okay. I want to talk through a little</p> <p>6 bit of background information. I'll show you</p> <p>7 an exhibit in a minute, but I find they tend</p> <p>8 to get in the way of getting some background</p> <p>9 out.</p> <p>10 So, SWF Constructors, what was</p> <p>11 that?</p> <p>12 A. SWF Constructors is a client of CFAS.</p> <p>13 Q. And SWF Constructors was a joint venture</p> <p>14 between two different companies; correct?</p> <p>15 A. Correct.</p> <p>16 Q. SWF Constructors was a joint venture</p> <p>17 between Coastal Environmental Group and the</p> <p>18 Burgos Group; is that correct?</p> <p>19 A. Correct.</p> <p>20 Q. Had SWF Constructors -- I'm sorry, was</p> <p>21 it SWF Constructors or SWF Contractors?</p> <p>22 A. I don't know, to be honest with you. I</p> <p>23 always just referred to it as SWF.</p> <p>24 Q. Okay. Had SWF had projects with CFAS</p> <p>25 before this one?</p>

<p style="text-align: right;">Page 14</p> <p>1 RICHARD DOBBS</p> <p>2 A. This was SWF's first contract as a joint</p> <p>3 venture.</p> <p>4 Q. And the contract you're talking about is</p> <p>5 a contract for a border replacement project?</p> <p>6 A. Correct.</p> <p>7 Q. And so SWF was awarded a government</p> <p>8 contract to replace a section of border wall;</p> <p>9 is that correct?</p> <p>10 A. Correct.</p> <p>11 Q. And then SWF contracted with CFAS to</p> <p>12 provide funds administration services; is that</p> <p>13 correct?</p> <p>14 A. Yes, yes.</p> <p>15 Q. Am I understanding the contract?</p> <p>16 A. It was a condition of the surety bond</p> <p>17 provided to SWF that they use a funds control</p> <p>18 administration company. CFAS was that</p> <p>19 company.</p> <p>20 Q. And what were the services that CFAS</p> <p>21 provided?</p> <p>22 A. CFAS's job is essentially to receive and</p> <p>23 disburse funds on contracts. It is put in</p> <p>24 place generally by sureties in order to</p> <p>25 protect their rights to the money and make</p>	<p style="text-align: right;">Page 16</p> <p>1 RICHARD DOBBS</p> <p>2 were actually Coastal Group e-mail addresses;</p> <p>3 is that correct?</p> <p>4 A. I would say partially. I believe there</p> <p>5 were some Burgos e-mail addresses as well.</p> <p>6 Q. Let me show you what has previously been</p> <p>7 marked as Defendant's Exhibit 2.</p> <p>8 Did you review this document</p> <p>9 in preparation for your deposition today?</p> <p>10 A. Yes.</p> <p>11 Q. And this document is an affidavit that</p> <p>12 John Fullmer gave in an action entitled</p> <p>13 Construction Financial Administration Services</p> <p>14 versus HK Canopy Technology Limited; is that</p> <p>15 correct?</p> <p>16 A. Correct.</p> <p>17 Q. And this affidavit was prepared by</p> <p>18 Mr. Fullmer and CFAS's attorneys; is that</p> <p>19 correct?</p> <p>20 A. I believe so.</p> <p>21 Q. And does CFAS dispute any of the facts</p> <p>22 contained in this affidavit?</p> <p>23 A. No.</p> <p>24 Q. All right. So looking at Paragraph 12,</p> <p>25 Mr. Fullmer writes that over the course of the</p>
<p style="text-align: right;">Page 15</p> <p>1 RICHARD DOBBS</p> <p>2 sure that those funds are delivered to the</p> <p>3 appropriate suppliers and subcontractors in</p> <p>4 order to prevent or minimize the risk of</p> <p>5 performance and payment claims on those</p> <p>6 projects.</p> <p>7 Q. And so part of CFAS's job is to protect</p> <p>8 the surety, too; is that correct?</p> <p>9 A. That's really the big job that they</p> <p>10 have.</p> <p>11 Q. Okay. And that's important because the</p> <p>12 surety is guaranteeing SWF's performance on</p> <p>13 the government contract?</p> <p>14 A. Performance and payment. There are two</p> <p>15 bonds; there's a performance bond and a</p> <p>16 payment bond, which the surety has liability</p> <p>17 for.</p> <p>18 Q. And during the course of this project,</p> <p>19 SWF communicated with CFAS about disbursement</p> <p>20 requests; correct?</p> <p>21 A. Correct.</p> <p>22 Q. And those requests were generally sent</p> <p>23 via e-mail?</p> <p>24 A. That's my understanding.</p> <p>25 Q. And the e-mail addresses that were used</p>	<p style="text-align: right;">Page 17</p> <p>1 RICHARD DOBBS</p> <p>2 project, he would liaise with the contractor</p> <p>3 by e-mail from his e-mail account,</p> <p>4 jfullmer@cfasllc.com.</p> <p>5 And that's John Fullmer's</p> <p>6 e-mail address that he used at CFAS, right?</p> <p>7 A. I believe so.</p> <p>8 Q. And then CFAS's contacts at SWF or</p> <p>9 Coastal were an individual named Tara</p> <p>10 Finkbeiner and an individual named Rick Silva;</p> <p>11 correct?</p> <p>12 A. I believe so.</p> <p>13 Q. And Rick Silva used the e-mail address</p> <p>14 rsilva@coastalgrp.net, C-O-A-S-T-A-L-G-R-P.</p> <p>15 N-E-T?</p> <p>16 A. I believe that's correct.</p> <p>17 Q. And then Tara Finkbeiner used the e-mail</p> <p>18 address tfinkbeiner, T-F-I-N-K-B-E-I-N-E-R</p> <p>19 @coastalgrp.net, C-O-A-S-T-A-L-G-R-P.N-E-T;</p> <p>20 correct?</p> <p>21 A. I believe so.</p> <p>22 Q. And then at some point, Ms. Finkbeiner's</p> <p>23 e-mail address was hacked; right?</p> <p>24 MR. AMADIO: Objection to</p> <p>25 form.</p>

<p style="text-align: right;">Page 18</p> <p>1 RICHARD DOBBS</p> <p>2 BY MS. MUSBACH:</p> <p>3 Q. On Paragraph 14, Mr. Fullmer says: I</p> <p>4 subsequently discovered that the e-mail</p> <p>5 account of my CEG contacts had been hacked.</p> <p>6 Is it CFAS's understanding</p> <p>7 that the e-mail address of</p> <p>8 tfinkbeiner@coastalgrp.net had been hacked at</p> <p>9 some point?</p> <p>10 A. From the experts that we hired or that</p> <p>11 worked for CFAS researched it, and that was</p> <p>12 their determination.</p> <p>13 Q. And I want to go through a series of</p> <p>14 e-mails. If you look -- I don't know if</p> <p>15 you're familiar with Bates stamps, but down in</p> <p>16 the right-hand corner, there is what we call</p> <p>17 Bates stamps. They're just numbers that we</p> <p>18 give to documents. They start with CFAS.</p> <p>19 A. Okay.</p> <p>20 Q. And so going to CFAS 3529, I want to</p> <p>21 walk through some of those e-mails.</p> <p>22 So the first e-mail that</p> <p>23 Mr. Fullmer includes in his affidavit is an</p> <p>24 e-mail that says we received \$1,692,441.91</p> <p>25 into the escrow account of SWF last night.</p>	<p style="text-align: right;">Page 20</p> <p>1 RICHARD DOBBS</p> <p>2 anyone else after receiving this e-mail?</p> <p>3 A. Per the deposition and affidavit that</p> <p>4 Mr. Fullmer gave, I do not believe he did.</p> <p>5 Q. And then based on this e-mail, he sent a</p> <p>6 wire transfer to Hong Kong in the amount of</p> <p>7 \$600,000; is that correct?</p> <p>8 A. That is correct.</p> <p>9 Q. And the e-mail had all of the</p> <p>10 information he needed to send the wire</p> <p>11 transfer; it had the amount of the wire</p> <p>12 transfer, correct?</p> <p>13 A. Technically, to send a wire transfer,</p> <p>14 the information was there. In order for him</p> <p>15 to release the funds, he did not follow the</p> <p>16 procedures needed to release the money.</p> <p>17 Q. Okay. But he was able to send the wire</p> <p>18 transfer based only on the information in the</p> <p>19 e-mail?</p> <p>20 He didn't need any other</p> <p>21 information in order to send the wire</p> <p>22 transfer?</p> <p>23 MR. AMADIO: Objection to</p> <p>24 form.</p> <p>25 MS. MUSBACH: I'll ask a</p>
<p style="text-align: right;">Page 19</p> <p>1 RICHARD DOBBS</p> <p>2 Do you see that?</p> <p>3 A. Yes.</p> <p>4 Q. Okay. And then subsequent to that</p> <p>5 e-mail, on April 9, 2018, is an e-mail that</p> <p>6 Mr. Fullmer received from Ms. Finkbeiner's</p> <p>7 e-mail account; is that correct?</p> <p>8 A. Correct.</p> <p>9 Q. And this e-mail directed Mr. Fullmer to</p> <p>10 complete -- it says: Completed the attached</p> <p>11 wire transfer for Rick this morning. Rick is</p> <p>12 traveling. E-mail me once the transfer is</p> <p>13 completed.</p> <p>14 A. (Witness nodded.)</p> <p>15 Q. And then do you see attached to this</p> <p>16 e-mail an invoice with banking information?</p> <p>17 A. Yes.</p> <p>18 Q. And so, there was somebody who was using</p> <p>19 Ms. Finkbeiner's e-mail address to send an</p> <p>20 e-mail to Mr. Fullmer directing him to send a</p> <p>21 wire transfer to a bank account in Hong Kong?</p> <p>22 A. From what our experts tell us, that's</p> <p>23 the case.</p> <p>24 Q. And did Mr. Fullmer review any other</p> <p>25 information besides this e-mail or talk to</p>	<p style="text-align: right;">Page 21</p> <p>1 RICHARD DOBBS</p> <p>2 better question. That was a complicated one.</p> <p>3 BY MS. MUSBACH:</p> <p>4 Q. So in order to send the e-mail -- in</p> <p>5 order to send the wire transfer, Mr. Fullmer</p> <p>6 only needed the information in the e-mail; he</p> <p>7 didn't receive any information about the</p> <p>8 amount of the wire transfer, the bank account</p> <p>9 for the wire transfer -- you know what, I</p> <p>10 actually need to ask you about another e-mail</p> <p>11 first. Sorry.</p> <p>12 So if you turn to the next</p> <p>13 page, CFAS 3533, Mr. Fullmer then e-mailed</p> <p>14 Tara Finkbeiner back at her actual e-mail</p> <p>15 address and he asked if she had a purchase</p> <p>16 order; is that correct?</p> <p>17 A. Correct.</p> <p>18 Q. And then she responded and she said that</p> <p>19 Rick will get you the purchase order that ties</p> <p>20 the invoice once he's back. He says it's</p> <p>21 important this goes out today.</p> <p>22 Is that correct?</p> <p>23 A. That's correct.</p> <p>24 Q. And then he subsequently followed up and</p> <p>25 he asked for an intermediary institution.</p>

<p style="text-align: right;">Page 22</p> <p>1 RICHARD DOBBS</p> <p>2 Do you see that?</p> <p>3 A. Yes.</p> <p>4 Q. And then the person using Ms.</p> <p>5 Finkbeiner's e-mail account responded and</p> <p>6 said: Use Citibank as the intermediary bank</p> <p>7 and there's a redaction mark redacting a</p> <p>8 number as the fed routing number as requested.</p> <p>9 Do you see that?</p> <p>10 A. I do.</p> <p>11 Q. And so then after that, did Mr. Fullmer</p> <p>12 send the wire transfer?</p> <p>13 A. That's my understanding.</p> <p>14 Q. Okay. So between the federal routing</p> <p>15 number and CFAS 3536 and the banking</p> <p>16 information attached to the e-mail at CFAS</p> <p>17 3532, he had all the information he needed to</p> <p>18 send the wire transfer?</p> <p>19 MR. AMADIO: Objection to</p> <p>20 form.</p> <p>21 BY MS. MUSBACH:</p> <p>22 Q. Correct?</p> <p>23 A. I'm not sure I understand the question.</p> <p>24 I would say partially, in that</p> <p>25 he had the ability to do the function of</p>	<p style="text-align: right;">Page 24</p> <p>1 RICHARD DOBBS</p> <p>2 form.</p> <p>3 THE WITNESS: He can</p> <p>4 technically send the wire transfer. However,</p> <p>5 he did not have the -- had not met the</p> <p>6 standard or the applicable documents to</p> <p>7 approve the transfer.</p> <p>8 BY MS. MUSBACH:</p> <p>9 Q. And the applicable documents didn't</p> <p>10 prevent the wire transfer from going out?</p> <p>11 A. According to his testimony, no.</p> <p>12 Q. So the wire transfer still went to Hong</p> <p>13 Kong even though he didn't have the applicable</p> <p>14 documents?</p> <p>15 A. Correct.</p> <p>16 Q. And then after that e-mail, Mr. Fullmer</p> <p>17 received a second request to wire transfer</p> <p>18 money to Hong Kong; is that correct?</p> <p>19 A. Correct.</p> <p>20 Q. And that request to transfer money to</p> <p>21 Hong Kong came from the actual e-mail address</p> <p>22 of Tara Finkbeiner; correct?</p> <p>23 A. According to our IT expert, yes, it did.</p> <p>24 Q. And this second request to wire transfer</p> <p>25 money to Hong Kong is at CFAS 3538 through</p>
<p style="text-align: right;">Page 23</p> <p>1 RICHARD DOBBS</p> <p>2 sending the wire transfer. But as stated</p> <p>3 before, he still had not gathered the</p> <p>4 documents necessary to approve the sending of</p> <p>5 the wire.</p> <p>6 Q. Okay. So in order to send the wire, he</p> <p>7 didn't need anything besides the information</p> <p>8 on the e-mailed invoice at CFAS 3532 and the</p> <p>9 intermediary bank information at CFAS 3536?</p> <p>10 MR. AMADIO: Objection to</p> <p>11 form.</p> <p>12 THE WITNESS: It's the same</p> <p>13 answer. Technically, again, he had the</p> <p>14 information needed to send a wire transfer;</p> <p>15 but he did not have the applicable documents</p> <p>16 required by our standard operating procedures</p> <p>17 to actually send the wire transfer.</p> <p>18 BY MS. MUSBACH:</p> <p>19 Q. Okay. So he was physically able to --</p> <p>20 or I don't know if "physically" is the right</p> <p>21 word.</p> <p>22 He was able to actually send a</p> <p>23 wire transfer based on the information in CFAS</p> <p>24 3532 and CFAS 3536?</p> <p>25 MR. AMADIO: Objection to the</p>	<p style="text-align: right;">Page 25</p> <p>1 RICHARD DOBBS</p> <p>2 CFAS 3540; correct?</p> <p>3 A. Correct.</p> <p>4 Q. And this e-mail also attached to it all</p> <p>5 of the information needed to input and send</p> <p>6 the wire transfer to Hong Kong; correct?</p> <p>7 A. As stated before, the technical numbers</p> <p>8 to send a wire transfer were provided.</p> <p>9 However, the applicable</p> <p>10 documents, specifically the disbursement</p> <p>11 summary, disbursement voucher, the signed lien</p> <p>12 waivers, an invoice which identifies the job</p> <p>13 correctly and the actual specific items were</p> <p>14 not provided.</p> <p>15 So he did not have the</p> <p>16 documents needed to approve the sending of</p> <p>17 this.</p> <p>18 Q. And despite not having the documents to</p> <p>19 approve the sending of this, he was still able</p> <p>20 to physically send the wire transfer with the</p> <p>21 information in this e-mail; correct?</p> <p>22 A. Yes.</p> <p>23 Q. And these e-mails sent from</p> <p>24 Ms. Finkbeiner's e-mail address requesting the</p> <p>25 wire transfers, they also copied an e-mail</p>

<p style="text-align: right;">Page 82</p> <p>1 RICHARD DOBBS</p> <p>2 this is a copy of the check from Hang Seng</p> <p>3 Bank that was deposited into the SWF account?</p> <p>4 A. Correct.</p> <p>5 Q. And these funds are funds from the bank</p> <p>6 account that the \$1,300,000 was wire</p> <p>7 transferred into that had not yet been removed</p> <p>8 by the perpetrator?</p> <p>9 A. That's my understanding.</p> <p>10 Q. And it's payable to Winston & Strawn,</p> <p>11 which was CFAS's attorney?</p> <p>12 A. I believe so.</p> <p>13 Q. And then has CFAS repaid the two loans,</p> <p>14 the \$250,000 and the \$750,000 loan?</p> <p>15 A. Partial repayment has been made on the</p> <p>16 loan to FIA, First Indemnity of America.</p> <p>17 Q. Okay. And what about the other loan?</p> <p>18 A. No payments have been made on that one.</p> <p>19 Q. Have either of the loans been forgiven</p> <p>20 in whole or in part?</p> <p>21 A. No.</p> <p>22 Q. And then has CFAS put any other money</p> <p>23 back into the SWF account?</p> <p>24 A. No. They did, however, as part of the</p> <p>25 agreement, waive their fees for the remainder</p>	<p style="text-align: right;">Page 84</p> <p>1 RICHARD DOBBS</p> <p>2 A. The 127.</p> <p>3 Q. Okay. And then \$127,000 from Hang Seng</p> <p>4 Bank that was recovered from the account the</p> <p>5 funds were wire transferred into, correct?</p> <p>6 A. I don't think so. I mean, I don't think</p> <p>7 there was any other money put in.</p> <p>8 Q. There was no other money --</p> <p>9 A. Right.</p> <p>10 Q. -- recovered from --</p> <p>11 A. Oh, no, there was definitely no more</p> <p>12 money -- no other money has been recovered.</p> <p>13 Q. There was no other money removed from</p> <p>14 Hang Seng Bank and then there were no other</p> <p>15 funds that were put into the SWF account?</p> <p>16 A. Correct.</p> <p>17 Q. Okay. And then did CFAS claim any other</p> <p>18 damages as part of its insurance claim?</p> <p>19 A. Well, I believe the insurance claim</p> <p>20 includes the fees associated with recovering</p> <p>21 the \$127,000. Approximately, I believe it was</p> <p>22 approximately \$50,000 in legal fees, I</p> <p>23 believe, is part of how we came to our</p> <p>24 determination.</p> <p>25 Q. Does CFAS have a record of those fees?</p>
<p style="text-align: right;">Page 83</p> <p>1 RICHARD DOBBS</p> <p>2 of the Calxico wall project.</p> <p>3 Q. And so the fees for the remainder of the</p> <p>4 project, those were fees that CFAS was going</p> <p>5 to earn on --</p> <p>6 A. CFAS was due one percent of the total</p> <p>7 contract price as a fee, and they waived their</p> <p>8 remaining fees since April of 2018.</p> <p>9 Q. And prior to April, had CFAS received</p> <p>10 fees?</p> <p>11 A. I believe they had collected</p> <p>12 approximately \$35,000.</p> <p>13 Q. Okay. And then from April forward,</p> <p>14 there were -- would you call them servicing</p> <p>15 fees that CFAS was going to earn on the</p> <p>16 account?</p> <p>17 A. Yes.</p> <p>18 Q. And CFAS just agreed not to take the</p> <p>19 servicing fees from April forward?</p> <p>20 A. Correct.</p> <p>21 Q. And outside of the \$750,000 loan, the</p> <p>22 \$250,000 loan and the agreement not to take</p> <p>23 servicing fees from April 2018 forward, did</p> <p>24 CFAS otherwise put any money into the SWF</p> <p>25 account?</p>	<p style="text-align: right;">Page 85</p> <p>1 RICHARD DOBBS</p> <p>2 A. I'm sure they do. I don't have it with</p> <p>3 me.</p> <p>4 Q. Or an invoice? You were invoiced for</p> <p>5 them presumably?</p> <p>6 A. Yes.</p> <p>7 MS. MUSBACH: I'll represent</p> <p>8 those haven't been produced.</p> <p>9 BY MS. MUSBACH:</p> <p>10 Q. All right. And then when did CFAS start</p> <p>11 doing business?</p> <p>12 A. I believe it was 2016. '15, '16, end of</p> <p>13 '15, into '16, I believe.</p> <p>14 Q. And in 2015, 2016, who was the president</p> <p>15 of CFAS?</p> <p>16 A. John Fullmer.</p> <p>17 Q. And did CFAS have a board?</p> <p>18 A. No.</p> <p>19 Q. It just had a managing member?</p> <p>20 A. Uh-hum.</p> <p>21 Q. And the managing member, was that</p> <p>22 also --</p> <p>23 A. It was Don Morse.</p> <p>24 Q. Don Morse, okay.</p> <p>25 And then was Scott Mahorsky</p>

<p style="text-align: right;">Page 86</p> <p>1 RICHARD DOBBS</p> <p>2 also involved in CFAS at that time?</p> <p>3 A. Scott Mahorsky, as a member of Keys</p> <p>4 Funding, was involved.</p> <p>5 Q. Was there anybody else in the 2015 time</p> <p>6 period that had an interest in CFAS?</p> <p>7 A. Keys Funding, Don Morse and John</p> <p>8 Fullmer.</p> <p>9 Q. How were decisions to purchase insurance</p> <p>10 made?</p> <p>11 A. In consultation with Don Morse and John</p> <p>12 Fullmer, in consultation with the insurance</p> <p>13 brokers.</p> <p>14 Q. And the insurance brokers was ARC</p> <p>15 Mid-Atlantic Excess & Surplus?</p> <p>16 A. No, it was Murray Insurance.</p> <p>17 Q. Murray Insurance, okay.</p> <p>18 Was there a specific person at</p> <p>19 Murray Insurance?</p> <p>20 A. Joe, and I'm forgetting his last name</p> <p>21 right now. I can't remember the gentleman.</p> <p>22 Q. And did CFAS discuss its insurance needs</p> <p>23 internally?</p> <p>24 A. I believe so. I wasn't part of those</p> <p>25 conversations.</p>	<p style="text-align: right;">Page 88</p> <p>1 RICHARD DOBBS</p> <p>2 Q. Did CFAS discuss crime insurance</p> <p>3 coverage with its broker?</p> <p>4 A. I don't know.</p> <p>5 Q. Did CFAS decide to buy a crime insurance</p> <p>6 policy?</p> <p>7 A. I don't know.</p> <p>8 Q. Did CFAS discuss fraudulent instruction</p> <p>9 endorsements or insurance with its broker?</p> <p>10 A. I don't know.</p> <p>11 Q. Did CFAS decide to buy a fraudulent</p> <p>12 instruction endorsement?</p> <p>13 A. I don't know.</p> <p>14 Q. Did CFAS discuss the risks of social</p> <p>15 engineering fraud with its broker?</p> <p>16 A. I don't know.</p> <p>17 Q. Did CFAS decide to buy a policy</p> <p>18 providing social engineering coverage?</p> <p>19 A. I don't know.</p> <p>20 Q. And then CFAS first bought this policy</p> <p>21 in 2015, didn't it?</p> <p>22 A. I believe so.</p> <p>23 Q. And CFAS was able to discuss the risks</p> <p>24 it faced and the scope of coverage provided by</p> <p>25 the policy with the broker prior to purchasing</p>
<p style="text-align: right;">Page 87</p> <p>1 RICHARD DOBBS</p> <p>2 Q. Okay. And I'm sorry, was there anybody</p> <p>3 besides Joe at Murray Insurance that discussed</p> <p>4 CFAS's insurance needs with them?</p> <p>5 A. I have no idea.</p> <p>6 Q. Besides CFAS's broker, has CFAS</p> <p>7 discussed its insurance needs with anyone</p> <p>8 else?</p> <p>9 A. I don't know. I assume -- well, I know</p> <p>10 they acquired some insurances through brokers,</p> <p>11 so I would assume that would be the case.</p> <p>12 Q. And prior to obtaining insurance through</p> <p>13 brokers, CFAS had an opportunity to discuss</p> <p>14 its insurance needs with those brokers?</p> <p>15 A. I don't know.</p> <p>16 Q. What kinds of insurance did CFAS</p> <p>17 purchase?</p> <p>18 A. E & O insurance is the only one that I</p> <p>19 actually reviewed. I don't know what other</p> <p>20 insurance they have in place.</p> <p>21 Q. And did CFAS discuss cyber insurance</p> <p>22 coverage with its broker?</p> <p>23 A. I don't know.</p> <p>24 Q. Did CFAS decide to buy cyber insurance?</p> <p>25 A. I don't know.</p>	<p style="text-align: right;">Page 89</p> <p>1 RICHARD DOBBS</p> <p>2 the policy; correct?</p> <p>3 A. I know CFAS provided the insurance agent</p> <p>4 with an application and everything was</p> <p>5 included on that application.</p> <p>6 Q. Did CFAS discuss the risks that it was</p> <p>7 seeking insurance for with the broker?</p> <p>8 A. I was not privy to those conversations.</p> <p>9 Q. Who was privy to those conversations?</p> <p>10 A. Those would have been Don Morse and John</p> <p>11 Fullmer, if they occurred.</p> <p>12 Q. Did you discuss insurance -- the</p> <p>13 purchase of insurance policies with them prior</p> <p>14 to your testimony today?</p> <p>15 A. No.</p> <p>16 Q. And when CFAS bought the policy in 2015,</p> <p>17 did CFAS review it?</p> <p>18 A. I did not.</p> <p>19 Q. Do you know whether Don Morse or John</p> <p>20 Fullmer reviewed it?</p> <p>21 A. I believe they did.</p> <p>22 Q. And CFAS was informed the policy had an</p> <p>23 unauthorized access exclusion, wasn't it?</p> <p>24 A. I don't know.</p> <p>25 Q. And who would have -- Don Morse would</p>